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Testimony of
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Labor and Public Employees Committee
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**Raised Bill 7320 An Act Concerning Municipal Employee Health
Insurance and Property Tax Relief**

Good morning Senator Prague, Representative Ryan and members of the Labor and Public Employees Committee. My name is Steven Perruccio and I am the President of the Connecticut Employees Union Independent, SEIU Local 511, which represents almost six thousand active and retired state employees. I also am the president of the Municipal Employees Union Independent, SEIU Local 506, which represents municipal employees in more than 20 Connecticut towns.

I appear before you today to testify in favor of the concept addressed in raised bill 7320. While there are some issues in the bill that need to be resolved, the overall idea is an exciting component to what could become universal health care in Connecticut.

Soaring health care costs, out of control medical inflation rates and corporate greed have pushed health insurance beyond reach for many Connecticut residents. As many as 407,000 people are uninsured in this state. Private employers who do offer benefits, say they have had to increase employee premium shares, raise co-pays and restrict access to new or part-time hires in response to price increases. We can do more than allow our citizens to go uninsured, or pay inflated premiums for watered down coverage.

As a retired state employee and representative of state employees, I am very familiar with the state employee health plan. Though it was thought to be a modest benefit when it was designed and negotiated ten years ago, it has now become the gold standard of health insurance in Connecticut. Even the members of the public understand and appreciate the quality of the state employee health plan. It focuses on preventative care at affordable rates. It makes sense to use it as a model for creating large pools of coverage to lower health care costs.

By mandating municipalities to participate in a statewide health plan, local governments would consolidate costs by using the same plan design in a single

pool. Brokers, and their costly fees, would be eliminated from the mix. It works at the state level and would provide the same savings for municipalities. Even more money could be saved if the municipal pool were self-insured.

We support expanding the pool to include small businesses and non-profit organizations from the very beginning. The low to middle wage earners employed by these types of entities would greatly benefit from the advantages of a large health insurance pool. Eventually, the pool could be expanded to include all Connecticut residents.

I would love to provide MEUI members with the same health care CEUI members have. Other states have similar statewide municipal plans. The bottom line is that the concept offers a quality health insurance plan that saves municipalities money and, in many cases, improves coverage.

As exciting as this proposal is, it is just one step in creating meaningful health care reform that is universal, portable, sustainable, health enhancing and affordable. All Connecticut residents should benefit from the same health care coverage public employees and elected officials enjoy. It's a matter of principle. There is still work to be done, but I am encouraged by the steps taken in raised bill 7320.

Thank you for the opportunity to testify before you today. I would be happy to answer any questions you may have.